

This case originated at: OMAHA

Report made at: Date When made: Period: Report made by:

OMAHA, NEBRASKA

3-5-52

2-28-52

bcu

Title:

INTERSTATE TRANSPORTATION
OF GAMBLING DEVICES;
CONSPIRACY

ALBERT H. GARDNER, was. Al Gardner,
Abraham Gardner; HERMAN PASTER

Prosecutive Summary Report

NARRATIVE OF OFFENSE

ALBERT H. GARDNER
HERMAN PASTER

SUMMARY

HERMAN PASTER, who resides at 2127 Juliet Avenue, St. Paul, Minnesota, is the present General Manager and principal owner of the Mayflower Distributing Company and the Paster Distributing Company, both of which concerns have their main place of business at 2218 University Avenue, St. Paul, Minnesota. b6 b7C

Acceptable information indicated that both the above companies are presently concerned with the purchase, sale, servicing and distribution of coin operated machines of various types.

Associates with HERMAN PASTER in the operation of the businesses is one [redacted] who resides at [redacted] Minneapolis, Minnesota. Employed by these companies are ALBERT GARDNER, a shipping clerk, 208 East 13th Street, St. Paul, Minnesota, and W. D. JOHNSON, who is believed to be the office manager.

One [redacted] was employed by HERMAN PASTER, personally, as a [redacted] for the Paster Distributing Company, operating in the State of Iowa and several western Illinois counties, from December 1949 until during April 1951.

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During the latter part of January 1951 and throughout the month of February 1951 HERMAN PASTER had several long distance telephone conversations with [] during the course of which he instructed [] to give preferred attention to the lining up for purchase any available slot machines which could be procured at sacrificed prices. On these occasions PASTER pointed out that the machine business was slow, that with the enactment of federal legislation concerning the sale, distribution and transportation of slot machines which was then effective, combined with the new legislation that had taken form in the Iowa Legislature which imposed executing serious penalties for the mere possession of slot machines, that the owners thereof would probably be willing to part with them for nominal sums or small fraction of the actual cost of the machines. During the same conversation, PASTER instructed [] it would not be necessary for [] to negotiate personally for the purchase of such machines inasmuch as PASTER would send [], another representative of his companies, to contact such owners of slot machines as might have indicated to [] their willingness to sell.

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PASTER also pointed out that such representative would have authority to make final arrangements for details of the purchase prices, acceptance of delivery, and transportation of the machines to unnamed destinations.

[] indicated to PASTER on these instructions an unwillingness to become involved in violation of the law, either state or federal, and this resulted in PASTER writing a letter to [] reiterating his previous instructions above outlined, in summary form, and insisting that [] comply with his instructions therewith.

Accordingly, [] made inquiries concerning the ownership and availability of slot machines in the Davenport, Iowa area, during the course of which he ascertained that machines were owned by the American Legion Post #26, Davenport, Iowa, WILLIAM C. KNOOP, owner of Knoop's Tavern, Davenport, Iowa, and by the Davenport Lodge of the Benevolent and Protective Order of the Elks.

[] communicated the information to HERMAN PASTER by long distance telephone and PASTER advised him that []

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would be in Davenport within a matter of a few days to negotiate for the purchase of such slot machines.

On March 1, 1951 [] arrived in Davenport, Iowa and registered at the Plackhawk Hotel. He contacted [] and [] went to [] hotel room where they had a conversation concerning the ownership of available machines in the Davenport area, and procedure to be followed in approaching the owners of slot machines and for the purchase of the machines.

Around noon that day [] and [] then went to the Green Front Cigar Store, 115 Brady Street, Davenport, Iowa, and contacted [], following which [] and [] had a conversation unheard by [], but during the course of which it was indicated by [] that [] made preliminary inquiries concerning slot machines which were owned by [], apparently with a view to purchasing same.

After this interview, [] and [] proceeded to Snug Harbor, the building which houses the American Legion Post #26, and then [] was introduced by [] to []. Following the introduction [] inquired of [] as to whether or not the post owned slot machines which it was willing to sell. [] informed [] that the post owned twenty-eight machines, seven of which were stored on the premises of the post and twenty-one of which were stored in the Voss Brothers Express and Storage Company warehouse, 2125 3rd Avenue, Rock Island, Illinois. When [] attempted to negotiate the purchase of these machines, he was advised by [] that [] would not assume full personal responsibility for the sale of the machines and that it would first be necessary to obtain the consent of the [], a practicing attorney, Davenport, Iowa.

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Thereupon [] and [] proceeded to [] office which is located at [], Davenport, where [] was introduced to []. Following the introduction, a conversation was held between [] and [] which resulted in agreement upon the part of [] and [] to sell to [] the above twenty-eight slot machines for the lump sum of \$980, this amount to be paid in cash in full upon delivery of the machines to [], who agreed to accept full responsibility

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for loading them into a truck to be supplied by his company and [] also agreed to accept full responsibility for the transportation of the machines.

On the afternoon of March 1, 1951 [] and [] called upon WILLIAM C. KNOOP, owner of Knoop's Tavern in downtown Davenport, where [] negotiated with KNOOP for the purchase of ten slot machines owned by KNOOP, the agreement being reached that [] Company would provide a truck the following day and that [] would accept full responsibility for the loading and subsequent transportation of the ten slot machines owned by KNOOP. The purchase price of these machines was \$750, to be paid in cash by [] to KNOOP the following day when the machines were to be picked up and loaded into the above truck.

During the day of March 1, 1951 [] advised [] that it would be necessary for him to cash a check for an amount sufficient to cover the aggregate purchase price of any machines which he would buy the following day and [] went to the home of [] [] Moline, Illinois, where [] cashed a check for \$2000 in order to obtain the necessary cash.

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Also, on the evening of March 1, 1951 [] and [] went to the lodge building of the Davenport Elks Lodge, where by pre-arrangement several officers of the lodge had assembled for the purpose of negotiating with [] for the sale of thirty-eight slot machines owned by that lodge.

In attendance at that meeting, in addition to [] and [] were FRANK L. PALMER, 1439 West 4th Street, the then Exalted Ruler of the Lodge; [] of the Lodge; []

[] all of Davenport, Iowa. As a result of negotiations between [] and the above officers of the lodge an agreement was reached to the effect that [] would purchase on behalf of his company the thirty-eight slot machines owned by the lodge at \$1800 in cash, this amount to be paid by [] to a designated representative of the lodge at such time as he should accept delivery of the slot machines. [] stated that his company would furnish a truck into which the slot machines would be loaded and arrangements

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were made that he would have the truck available in the rear of the lodge premises at 7:30 PM, the following Monday evening, March 5, 1951, at which time it was understood that [] was to load the machines into the truck following which he would make payment for the machines. [] agreed to accept full and complete responsibility for the loading and subsequent transportation of the machines.

During the day of March 1, 1951 [] made a long distance telephone call to W. D. JOHNSON at the office of the Paster and the Mayflower Distributing Company, St. Paul, Minnesota, during the course of which JOHNSON agreed to send AL GARDNER, then shipping clerk of the Mayflower Distributing Company to Davenport, Iowa, with a truck in order that the truck would be on hand on the morning of the following day to permit the loading and transportation of slot machines purchased from the American Legion Post and WILLIAM C. KNOOP.

On the morning of March 2, 1952 [] and [] met [] by pre-arrangement at the Martin Brothers Cigar Store, 3rd and Brady Street, Davenport, Iowa, from where they proceeded to American Legion Post building. GARDNER had arrived in Davenport sometime during the night with a truck and he had the truck parked outside the American Legion building waiting for their arrival.

Immediately after the arrival of [] and [] [], assisted by GARDNER, removed seven slot machines from their place in the American Legion Post building, where they had been clandestinely stored, and loaded them into the truck in the presence of [] and [].

Immediately after the loading of these seven machines, GARDNER and [] entered the truck, having made arrangements with [] to meet him at the Voss Brothers Express and Storage Company warehouse at 2125 3rd Avenue, Rock Island, Illinois, stating that they would proceed immediately to that place to pick up the balance of the machines. They departed from the American Legion Post in the truck and [] and [] each operating his own car, proceeded to the above warehouse in Rock Island. [] was delayed a few minutes in downtown Davenport on a matter of other business prior to his departure

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for the above warehouse in Rock Island and consequently arrived at the warehouse, while [] and GARDNER, assisted by unidentified warehouse personnel were loading the twentyone machines into the same truck as above mentioned.

[] reached the warehouse shortly previous to the arrival of [] and GARDNER in the truck, it being later known to [] that they had stopped at a tire repair shop in Rock Island while enroute to the warehouse in order to leave a blown-out tire for repair, proceeding thence to the warehouse.

After completing the loading of the machines from the warehouse, [] paid [] \$980 in cash, after [] and [] had put the machines in the truck and determined that all twenty-eight of them were present therein. It is noted that [] and [] knew that the truck was empty prior to the loading of the seven machines therein at the American Legion Post in Davenport, Iowa, a few minutes earlier and that the additional twenty-one machines loaded into the truck at the Voss Brothers warehouse in Rock Island, Illinois, counted for the presence of the total of twenty-eight machines in the truck at the time this count was made.

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[] and GARDNER then proceeded to Eddie's New Yorker, a night club in downtown Rock Island, Illinois, GARDNER driving the truck from the warehouse to the tavern and parking the truck in the rear of the tavern upon his arrival there.

At this tavern [] contacted WILLIAM C. KNOOP who was waiting there for [] arrival, together with [] of the tavern with whom KNOOP had previously made storage arrangements for the machines.

[] assisted by GARDNER, removed the ten machines from the point in the basement in which they were stored, and loaded them into the truck parked at the rear of the tavern, following which [] paid KNOOP \$750 in cash, the agreed purchase price of the machines.

Following this [] GARDNER and [] left the tavern and in downtown Rock Island held a brief conversation during the course of which [] advised [] that he and GARDNER would

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drive the truck containing the thirty-eight slot machines from Rock Island, Illinois to St. Paul, Minnesota, but that they intended to pursue a somewhat circuitous route along the eastern portion of the Mississippi River through northern Illinois and southwest Wisconsin in order to avoid re-entering Iowa, it being believed by [] that there was some danger that Iowa officers might inspect the truck's cargo, which would result in their apprehension. [] indicated that the machines were to be taken to the headquarters of the Mayflower Distributing Company, St. Paul for storage. Subsequently, [] advised [] that they had had an uneventful trip from Rock Island to St. Paul with the cargo of slot machines and had arrived at St. Paul at 10:00 PM that same evening.

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Arrangements made by [] with Elks Club Officers at Davenport March 1, 1951 for the purchase and pick up of the thirty-eight slot machines belonging to that organization to be purchased at 7:30 PM on March 5, 1951 were telephonically cancelled by means of a telephone call from [] to [] from St. Paul, Minnesota to LeClaire, Iowa, at approximately 3:00 PM on the latter date. During the course of this telephone conversation [] told [] that the reason for the cancellation was that he was afraid that he was being watched, that he was afraid of being arrested at the Iowa-Minnesota border on the return trip in possession of the slot machines, and that he desired to let the matter "cool off" before consummating the purchase and pick up of the Elks machines.

STATUTE OF LIMITATIONS

The Statute of Limitations in this matter will become effective in connection with the above violation on March 2, 1954.

PRELIMINARY PROSECUTIVE ACTION

There has been no preliminary prosecutive action taken in this matter.

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WITNESSES

[redacted]

Can testify that he was hired by HERMAN PASTER, personally, as a [redacted] for the Paster Distributing Company, of 2218 University Avenue, St. Paul, Minnesota, during December 1949 and that he voluntarily terminated his employment during April 1951, after having served continuously in the above capacity during the intervening period. As such [redacted] it was his duty to sell various types of coin operated equipment, both new and used, in the State of Iowa and several western Illinois counties, bordering the Mississippi River and abutting Iowa. He had authority to purchase used coin operated devices whenever same could be obtained at prices which would enable resale by his company as a profit. Included in the type of devices mentioned were bowling alleys, shuffle boards, juke boxes, various types of coin operated vending machines, and other similar items. He was also instructed by HERMAN PASTER that he was to regard HERMAN PASTER as his ultimate superior.

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During the year 1950 HERMAN PASTER purchased an interest in a business then operated by [redacted] at Des Moines, Iowa, which business was known as the [redacted] and the nature of which was the handling of juke boxes and various types of coin operated amusement devices. After PASTER purchased the interest in that business the company was known as the P & S Distributing Company, and its headquarters were maintained at Des Moines, Iowa. At that time [redacted] was told by HERMAN PASTER that the P & S Distributing Company would be more or less regarded as the Des Moines branch office of the Paster Distributing Company; that [redacted] would be the office manager, and [redacted] immediate superior, but that HERMAN PASTER would be still considered his ultimate superior and that [redacted] was to obey any instructions issued by PASTER, whether or not such instructions might conflict with those issued by [redacted] during the latter part of January and also during February 1951 [redacted] received two or three long distance telephone calls from HERMAN PASTER personally, which were made to him for the expressed purpose of instructing [redacted] to line up the purchase

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of available slot machines which could be bought by the Paster Distributing Company at sacrifice prices. On the occasion of each call, PASTER pointed out to [] that the so-called "Minnesota Law" then pending in the Iowa Legislature was certain to pass, and that the penalties which could be inflicted under this law for the mere possession of slot machines were so severe that it was his belief that no one owning slot machines in Iowa would care to retain possession of them which should not only make them readily available for purchase but at sacrifice prices as well. During the course of these telephone conversations PASTER told [] to locate as many machines as possible for purchase, explaining that he could use more than he would probably be able to buy and PASTER told [] to make appropriate contacts with former slot machine operators and private clubs and that it would not be necessary for [] to personally handle negotiations to purchase equipment, delivery and transportation of such machines, as PASTER would send [] to the various owners previously contacted by [] for the purpose of making final arrangements and payment. Also, during the course of these telephone conversations PASTER advised [] that the machines would, after purchase, be transported to St. Paul, Minnesota and subsequently resold with anticipated large profits to the Paster Distributing Company.

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[] can also testify that during January and February 1951 he received one or more long distance calls from [] to the same effect as those made by PASTER. He can testify that on each occasion he advised either PASTER or [] that he did not desire to become involved in violation of the newly enacted federal laws prohibiting the interstate transportation of slot machines and that in both instances PASTER told him that if he did not get out and line up machines for purchase he would lose his job.

[] can also testify that he discussed the above instruction of PASTER and [] with [] at Des Moines, Iowa and that he was advised by [] that [] would not desire to handle or become involved in handling of slot machines because of the illegal nature of any such activity and that [] instructed him to ignore the instructions received from PASTER and [].

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[] can testify that he advised PASTER of [] conflicting instructions during the course of one or more long distance telephone conversations with PASTER and that PASTER told him that he was his, [], ultimate superior, and instructed [] to ignore the instructions of []

[] can also testify that during the latter part of February 1951 he received a typewritten letter signed by PASTER personally which was written on the stationery of the Mayflower Distributing Company, and which reached him at his home address at LeClaire, Iowa through the U.S. Mails. [] can testify that the letter was a one page letter and that its contents consisted entirely of instructions from HERMAN PASTER to lose no further time in lining up the purchase of available slot machines according to previously transmitted instructions. The letter also instructed him to give this matter preferred attention and contained language indicating that he was to handle preliminary contacts with a view to the purchase of slot machines by the Paster Distributing Company before handling any other business. The letter also contained positive instructions to the effect that [] should contact PASTER or [] personally by long distance phone as soon as his preliminary contacts with slot machine owners had been completed in order that [] or some other representative of the Paster Distributing Company might go to Davenport, Iowa and make final purchase arrangements for such slot machines as [] had been able to preliminarily line up.

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[] can testify that pursuant to the instructions contained in the letter, which letter he has since misplaced or inadvertently destroyed, that he made some inquiries which reflected that [] WILLIAM C. KNOOP, owner of Knoop's Tavern, American Legion Post #26, and the Davenport Elks Lodge, all of Davenport, Iowa, were in possession of slot machines which they presumably would be willing to sell for a fraction of their cost and within the price limitations indicated by PASTER previously.

Thereafter he telephonically contacted either HERMAN PASTER or [], he was unable to recall which, by long distance telephone, at the offices of the Paster Distributing

Company, St. Paul, Minnesota, and advised of his results of his inquiry, and indicated that it was his belief that around seventy slot machines could be purchased from the above named source, [] estimates that this call was probably made by him during the early part of the last week of February 1951, inasmuch as [] is positive that this telephone call was made by him following the issuance of the "Minnesota Law" in Iowa, which was February 25, 1951. During the course of that long distance telephone conversation he was advised that [] would be in Davenport, Iowa shortly to take over the negotiations of the purchase of the above machines and that he would have available to him at that time a truck which would be used to transport the machines to the Paster Distributing Company in St. Paul, Minnesota, after they had been acquired.

[] can testify that on or about March 1, 1951 [] came to Davenport, Iowa from Minneapolis or St. Paul, Minnesota, and registered at the Blackhawk Hotel. On that date, [] contacted [] and instructed [] to come to [] hotel room, which [] did. In the hotel room he and [] had a discussion about the availability of slot machines in the community, [] repeating the results of his preliminary inquiries. [] then requested that [] accompany him in making contacts with the above four slot machine owners, inasmuch as [] was a stranger to these persons, and was also a stranger in the community.

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[] can testify that both he and [] made telephone calls from [] hotel room in an effort to contact the various persons who have authority to negotiate for the sale of the slot machines belonging to the American Legion, The Davenport Elks Club, and perhaps the other two owners. He can testify that [] called his wife at their home in Minneapolis, Minnesota to advise her of his plans and whereabouts and that [] also placed a long distance telephone call to HERMAN PASTER at the offices of the Milwaukee, Wisconsin branch of the Paster Distributing Company, both of which long distance conversations were carried on in his presence. [] can testify that [] advised PASTER that it appeared that approximately seventy machines could be purchased at sacrifice prices in Davenport, Iowa, and that also he was unable to hear PASTER's responses; that []

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told him that same day that PASTER had told him to buy every machine that was available.

During the course of the conversation in the hotel room [] told [] that he had brought with him only sufficient funds to defray his personal traveling expenses and that it would be necessary for him to cash a large check in order to get the necessary cash with which to pay the purchase price of the above machines, as the vendors thereof would no doubt insist upon being paid in cash.

[] can testify further that around the noon hour of March 1, 1951 he accompanied [] to the Green Front Cigar Store, located at 115 Brady Street, Davenport, Iowa, where [] had a conversation with [] which [] did not overhear. [] can testify that [] and [] were previously acquainted, and greeted each other by name, prior to engaging in conversation. [] can testify that immediately following his conversation with [] advised [] that [] had some slot machines which he would probably sell and that [] planned to contact [] in connection with the matter at a subsequent time.

[] can testify that he and [] had lunch in the Green Front Cigar Store and then proceeded to Snug Harbor, the building occupied by American Legion Post #26, where [] introduced [] to [], whom they located in the post building.

Following the introduction [] can testify that [] and [] had a conversation in his presence which dealt with negotiations for the purchase by [] of a quantity of slot machines owned by the American Legion Post. [] is unable to state the number of such machines but stated that it was somewhere between twenty-five and thirty-five. During the discussion [] advised [] that he did not desire to assume full personal responsibility for authorizing a sale of the post's slot machines and that [] suggested that he, [] go to [] at his law offices in the Union Arcade Building.

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[] can testify that [] agreed to this suggestion and that the three proceeded to [] office where [] and [] discussed the possible sale and purchase of the slot machines belonging to the post. [] can testify that the price was approximately \$35 apiece, which was agreed upon between them and that [] agreed to assume full responsibility for possession of each of the machines the instant that it was loaded into a truck which he stated his company would supply for the purpose of picking up the machines and transporting them.

[] can testify further that [] was advised by [] during this conversation that seven or eight of the post's slot machines were stored on the premises of the post and that the remainder were stored in a warehouse operated by the Voss Brothers Express and Storage Company, Rock Island, Illinois. [] can testify that it was agreed that [] should pay for the machine in cash and that [] would contact [] later the same day to make plans for a mutual meeting the day following in order to consummate the sale and delivery of the machines.

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[] can testify that he was not continuously in the company of [] throughout the day and evening of March 1, 1951 and that during the afternoon of that day he telephonically contacted FRANK L. PALMER, the Exalted Ruler of the Davenport Elks Lodge and made arrangements with PALMER for [] to meet with several officers of the club in the lodge building the same evening in order that [] might negotiate for the purchase of the slot machines owned by the club.

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[] can testify that also on the afternoon of March 1, 1951 he accompanied [] to a tavern operated by a WILLIAM C. KNOOP at 329 West 2nd Street, Davenport, Iowa, where he introduced [] to KNOOP. Following the introduction, [] and KNOOP had a conversation in the presence of [] but to which [] paid only casual attention. He can testify, however, that [] indicated his interest in the purchase of KNOOP's slot machines, and that KNOOP advised [] that he had approximately ten such machines which he desired to sell; that [] questioned KNOOP closely as to their make, model, age, condition, type and denomination, and that there was some haggling over the price which [] would pay; that he, [], recalls that a sale of the machines was shaped up as a result of this conversation and that

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[] made arrangements to recontact KNOOP the following morning to advise KNOOP as to when or where they would meet in order that [] might execute delivery of the machines and make payment thereof.

[] can further testify that at approximately 4:00 PM, on March 1, 1951 [] made a long distance telephone call to the office of the Paster Distributing Company in St. Paul, Minnesota and [] did not hear either end of the conversation. He can testify that shortly after making the call, [] gave him the following information: That he had talked to W. D. JOHNSON on the telephone at the time of placing the call, and when [] made inquiries as to the availability of a truck for the following day, for the purpose of picking up the machines purchased by him for return transportation to St. Paul, Minnesota, JOHNSON had advised him that the truck company, whose services Paster Co. previously had utilized for such purposes, had refused to make the trip, stating that he did not desire to run the risk of transporting slot machines across a state line; that JOHNSON told [] that the company had rented another truck from a rental agency and that ALBERT GARDNER, one of the company's employees, was already on his way to Davenport with the truck and that GARDNER would contact [] at [] hotel upon arrival there.

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[] can further testify that during the same conversation in which the above details of the long distance telephone conversation were revealed, by [] that [] mentioned that he had only enough money with him to defray his personal traveling expenses, and that it would be necessary for him to cash a check in order to obtain sufficient cash to pay for the slot machines being purchased from the American Legion Post and WILLIAM C. KNOOP.

[] can further testify that early in the evening of March 1, 1951 he accompanied [] to the Davenport Elks Lodge where he introduced [] to FRANK L. PALMER and several other lodge officers, including [] and several others whose identities [] was unable to recall. Following [] introduction to the officers assembled, [] proceeded to negotiate with them for the purchase of the slot machines owned by the lodge which, stated by one of the officers, was believed to be thirty-eight in number.

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After some discussion as to the purchase price, it was finally agreed that [] would pay \$1900 for the slot machines. [] and the officers made positive arrangements to the effect that at 7:30 PM, the following Monday evening, March 5, 1951, [] would have a truck at the rear door of the lodge building and would proceed to load the thirty-eight slot machines into the truck from the basement of the adjoining building where the slot machines were stored; that it was agreed by [] that he should accept full responsibility for the possession of the slot machines immediately as each was removed from its storage place and that he should accept full responsibility for the subsequent transportation of the slot machines from the premises and at all times thereafter; that [] mentioned during the night that the slot machines would be transported to the State of Minnesota, for distribution or resale at unstated prices; that immediately after the machines had been loaded into the truck that [] would pay the sum of \$1900 in cash for same with the payment the transaction would be closed.

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[] can testify further that [] told him immediately after the meeting of the Elks Lodge, above mentioned, that he would have concluded the deal that evening but that the Lodge insisted upon cash payments for their machines and that he doubted that he would be able to raise the money with which to pay them in order that they might be included with the shipment of slot machines which he expected to buy and transport the following day.

[] can further testify that at approximately 3:00 PM on Monday, March 5, 1951, he was at his home and received a long distance telephone call from [] at St. Paul, Minnesota during the course of which [] instructed him to immediately contact FRANK L. PALMER and discussed cancelling the arrangements for the acceptance or delivery of the Elks Lodge slot machines scheduled for that evening, giving as his reason that he was suspicious that the Minnesota border was being watched and that he did not desire to take the chance of transporting the machines into Minnesota at the present time; that [] also instructed [] to advise the Elks Lodge officers that he would recontact them and consummate the purchase of the machines as soon as the "heat was off."

[] can further testify that at [] request on the night of March 1, 1951 he drove [] in his, [], automobile to the home of [] in Rock Island, or Moline, Illinois; that upon arrival at the [] residence, [] entered the [] home stating that he expected to be able to cash a check to obtain enough cash to pay the full purchase price of the American Legion and KNOOP slot machines the following morning. [] is unable to recall whether or not he entered the residence with [] but he can testify that [] was in the [] residence only a short time and that on the way back to Davenport, Iowa in [] car [] told him, [] that he had been successful in cashing the check and obtained the necessary cash. [] can testify with his personal knowledge that [] and [] were personally acquainted as a result of business transacted between them.

It should be noted that [] has explained that he is unable to recall for positive certainty the exact chronological order of the various occurrences on March 1, 1951, mentioned above, which inability is due to several factors consisting of his lack of enthusiasm and general attitude of scepticism toward the entire program and his resulting inattention to details; it was his recollection that he left [] company on several occasions during the day in order to conduct legitimate business with the P & S Distributing Company; and that he was also apart from [] on other instances, for short periods of time throughout the day, in order to take care of personal business.

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[] can testify that he let [] out of his car in the Blackhawk Hotel at approximately 10:00 PM on the evening of March 1, 1951 and did not see him further on that date; that by pre-arrangement, he, [], proceeded from his home to Martins Cigar Store, 3rd and Brady Street, Davenport, Iowa, on the morning of March 2, 1951, arriving at that place at approximately 8:30 AM; that [] and [] were already present in the cigar store and that after having a cup of coffee the three proceeded to the American Legion Post building where he observed ALBERT GARDNER waiting in a truck bearing Minnesota license plates, outside the building. [] knew GARDNER personally, as they had been co-employees of the Paster Distributing Company. [] can testify that the truck mentioned had a red or

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maroon cab, and van-type body and that the upper top of the body or roof was bluish-gray; printed in light-colored letters on the body of the van were the words "Capital Airlines", "Air Freight", together with some other lettering; that somewhere on the van was printed the picture of an airplane or bird; that somewhere on the truck was printed the name of a company which [] recalls as being connected with the transfer or truck rental business; that the truck was a Dodge of fairly recent manufacture.

[] can further testify that after he, [] and [] arrived at the Legion Post building, that instructions were given to GARDNER by either [] or [] to drive the truck to the loading dock of the building, with which instructions GARDNER complied; that [] and GARDNER, assisted by [] brought up slot machines from the interior of the building and loaded them into the truck; that this loading process consumed only a very brief period of time, perhaps five minutes; that following that loading process, [] and GARDNER had a brief conversation, [] presumed during which was agreed that [] and GARDNER would proceed in the truck containing the slot machines to the Voss Brothers Express and Storage Company warehouse at 2125 3rd Avenue, Rock Island, Illinois, proceeding to that point directly from the American Legion Post building in Davenport, via the U. S. Arsenal Bridge; that it was also agreed that [] and [] would proceed in their respective automobiles to the said warehouse in Rock Island, and that [] would do so immediately with [] to be delayed a few minutes in order to take care of some other business in downtown Davenport, prior to proceeding to Rock Island, Illinois.

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[] can further testify that his personal business in Davenport consumed approximately ten minutes time after leaving the American Legion Post and that immediately upon the handling of this business he proceeded to the Voss Brothers warehouse in Rock Island, Illinois directly in his automobile; that when he arrived there he observed that the above truck had already been parked against the loading dock; that [] GARDNER, and [] were in close proximity to the truck, and that persons unknown to him but obviously warehouse employees were loading the slot machines into the rear of the truck; that after such loading process had been completed, that [] counted the machines in

the truck and said that there were twenty-eight machines and following which he paid [] a sum of money in currency, the exact amount of which payment [] was unaware; that while he was in the company of [] GARDNER and [] at the Voss Brothers warehouse, he heard GARDNER make a statement verbally to the effect that he had had a flat tire on the truck, somewhere between St. Paul, Minnesota and Davenport, Iowa, and that GARDNER mentioned that he had left the tire for repairs at the Handelman and Wiesman Tire Company, located on 3rd Avenue in Rock Island, within close proximity to the Voss Brothers warehouse; that after [] had received the above payment from [], [] got into his car and drove away and that [] did not see him subsequently.

[] can testify that as a result of instructions given by [] to him in the Voss Brothers warehouse on that occasion, he proceeded directly from that warehouse to Eddies New Yorker, a night club located on 2nd Avenue, in Rock Island, Illinois, but he could not recall whether [] accompanied him to that night club in his car or whether [] proceeded to that point in the above mentioned truck with GARDNER; that he recalled that he heard [] give GARDNER instructions at the same time to proceed to Eddies New Yorker and to park the truck at the rear of that place in order that the slot machines in storage there might be loaded into the truck.

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[] can further testify that relative to [] instructions he drove to Eddies New Yorker directly from the Voss Brothers warehouse and upon his arrival there he observed that WILLIAM C. KNOOP of Davenport, Iowa and a man whom [] knows only as [], but also whom he knew to be the owner or manager of Eddies New Yorker were present at the night club; that [] observed that the back door of the night club was open and that GARDNER and [] took a number of slot machines from the basement of the night club, through the back door and loaded them into the rear of a truck; that the truck was parked in such a manner that [] could only observe the rear opening thereof and consequently was not able to state that it was the same truck that he had seen previously a few minutes before at the Voss Brothers warehouse, but that it appeared to be the same truck from what he could note, and that the truck contained a quantity of slot machines prior to the load of any slot machines from the

basement of the night club; that after several machines were loaded into the truck by [] and GARDNER, as above mentioned, that [] counted out a sum of currency, the exact amount of which is unknown to [], and handed it to KNOOP; that after this money had changed hands the truck was closed and driven away from the rear of the night club by GARDNER.

[] can testify that a few minutes after the truck was driven away from the rear door of Eddies New Yorker that he had a conversation with [], but he is unable to recall where this conversation took place except that it was somewhere in downtown Rock Island, Illinois; that it is [] recollection that GARDNER was never present during this conversation; that during the conversation [] stated that he was taking a truck load of slot machines to St. Paul and that he would not re-enter Iowa as he feared that Iowa authorities might examine the load; that he intended to ride with GARDNER on the truck and that they would proceed up the eastern side of the Mississippi River through Illinois and Wisconsin and would cross the Mississippi River from Wisconsin into Minnesota at an unstated point; that he was anxious to depart for St. Paul, Minnesota with the truck load of slot machines immediately, as it was a long distance.

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[] can further testify that two or three weeks after March 2, 1951 during the course of a long distance conversation with [] that [] stated that he and GARDNER had transported the above mentioned load of slot machines into St. Paul, Minnesota safely and had arrived at about 10:00 PM the same evening.

It is noted that [] has carefully examined ten photographs of a 1947 two door Dodge van-truck with an enclosed body owned by the Larson Transfer Company, 2010 21st Avenue, Minneapolis, Minnesota, and has stated that the markings on the truck as depicted are precisely the same as the truck which he observed on March 2, 1951 in the possession of [] and GARDNER, as mentioned above. It is further noted that said truck is known to bear a 1951 Minnesota license, reddish or maroon in color, with a medium gray colored roof. The details of ownership, rental, and description of which will be set forth hereinafter.

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[redacted] and [redacted]
Special Agents
Federal Bureau of Investigation
Omaha, Nebraska

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Can introduce a signed statement furnished by [redacted]
containing the gist of the above details which was voluntarily
executed by [redacted] on October 1, 1951.

[redacted]
Davenport, Iowa

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Can testify that he has been an active member of the American Legion Post #26, for more than thirty years and has been [redacted] of that post continuously for the past sixteen years; that during the year 1949 the said post owned and was in possession of twenty-eight slot machines where were subsequently placed in storage inasmuch as their continued operation in the State of Iowa was declared illegal; that during 1950 twenty-one of the twenty eight slot machines were placed in storage in the warehouse of the Voss Brothers Express and Storage Company, located at 2125 3rd Avenue, Rock Island, Illinois, the seven remaining slot machines being placed in storage on the then newly constructed premises of the post building at Davenport, Iowa; that said slot machines were still stored in those respective places on March 1, 1951; that to the best of his recollection twenty-eight of such machines had been manufactured by the Mills Novelty Company, Chicago, Illinois and were approximately equally divided between, nickel, dime and quarter denominations; that all of such machines had been purchased new by the post from the Gardner Music Company of Rock Island; that after requesting a search to be made of files and records of Post #26 for data concerning the purchase of each of these machines, records in connection with only four of the twenty-eight machines were found, the others apparently having been destroyed; that said record consists of the following data:

Bill or invoice of Gardner Music Company dated July 1, 1949, reflects the purchase of one 25¢ Mills Black Beauty (over and under) slot machine, Serial #568221, on June 14, 1949.

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Bill or invoice of Gardner Music Company dated August 5, 1949, reflects the purchase of one 25¢ Mills Black Beauty (over and under) slot machine, Serial #571802, on July 30, 1949.

Bill or invoice of Gardner Music Company dated October 1, 1949, reflects the purchase of one Mills Black Beauty 5¢ slot machine, over and under, Serial #574227, on September 9, 1949.

Bill or invoice of the Gardner Music Company dated November 1, 1949, reflects the purchase of one 5¢ Mills Black Beauty slot machine, over and under, Serial #574776.

Each of the above bills or invoices bore [] autographic initials and the letters "OK" all of which was autographically affixed by [] at the time that the slot machines, represented by each of the invoices, were received by the post and personally checked by him, this in order that each invoice would be known to be approved and put in line for payment by said post; that each of the four slot machines represented by the above bills or invoices were included in the twenty-eight slot machines owned and possessed by the post on March 1, 1951, and sold by the post to [] on March 2, 1951, although [] is not able to state whether any or all of these four machines were stored in the post building in Davenport, Iowa or in the Voss Brothers warehouse in Rock Island, Illinois on the latter date.

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[] can further testify that on the afternoon of March 1, 1951 he was in the post club room at Davenport, Iowa and received a call from an unidentified man who asked if [] would be in for awhile; that [] answered in the affirmative and that the unidentified man stated that he would call on [] at the post in approximately one-half hour; that approximately one-half hour after receiving that call a man, whom [] then knew to be

[] of LeClaire, Iowa and another man who was a stranger, but was in the company of [] called to see [] in the post building; that [] introduced the stranger to [] by name, but that [] is able to recall only that the man's first name was []; that [] then asked [] if the post had any slot machines which it desired to sell; that [] advised [] that the post owned twenty-eight slot machines and proceeded to describe their make, age, condition and denomina-

tion; that in response to [] inquiry, [] told him that the post might be willing to sell the machines but that it would first be necessary to contact the [] to obtain authority to sell same; that following this statement it was agreed by [], [] and [] that they would proceed to the second floor of the post building in Davenport, Iowa where seven of the machines were stored, following which [] inspected these machines and offered \$35 apiece for these machines and the remaining twenty-one machines which were in storage at Rock Island, Illinois as above stated.

[] can further testify that immediately thereafter he, [] and [] proceeded together to the law office of [] Davenport, Iowa, where [] introduced [] to [] that those four men had a brief conference during which [] repeated to [] his offer to purchase the twenty-eight slot machines at \$35 each, and [] agreed to sell the machines on those terms with the understanding that [] would furnish a truck to pick up the machines and that the possession thereof would be [] personal responsibility from thereafter until the time that each of the machines was loaded into the truck; that after the agreement was reached between [] and [], [], [] and [] left [] office and proceeded directly to the Voss Brothers Express and Storage Company warehouse, 2125 3rd Avenue, Rock Island, Illinois in [] car, and on arriving there [] inspected the twenty-one machines which were stored there and pronounced them acceptable; that after inspecting the machines [], [] and [] returned to Davenport, Iowa in [] car, where [] took [] to the American Legion Post building and discharged him, at which time [] told [] he would contact him further later on in the evening to make specific arrangements to pick up the machines the following day, it having been previously agreed in [] office that [] was to pay \$980 in cash for the machines as soon as they were loaded into the truck, which [] was to provide the following day.

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[] can further testify that on the evening of March 1, 1951 [] contacted him telephonically at the American Legion Post Building and stated that he had made arrangements to have a truck at Davenport, Iowa the following morning and would meet [] the next morning, March 2, 1951, at Martin's Cigar Store,

3rd and Brady Streets, Davenport, Iowa at 8:30 AM, in order that [] might pick up the machines, load them into the truck, and make payment for them to [].

[] can testify that at approximately 8:30 AM, March 2, 1951 he met [] and [] at the Martin's Cigar Store, above mentioned, and after having a cup of coffee proceeded together to the post building which is located at 200 Perry Street, Davenport, Iowa; that upon arrival at the post building, that [] observed a truck of recent model which had a small van-type body which was Chinese-red in color, and which bore the picture of a bird or airplane and lettering in a light color, which he does not precisely recall, but which he would say was the same or closely similar to the lettering on the truck depicted in a series of ten photographs shown to him, same being photographs of above 1947 Dodge van-type truck, belonging to the Larson Transfer Company of Minneapolis, Minnesota, concerning which more specific details will be mentioned hereinafter. [] can testify that the truck which he saw on that occasion bore an out of state license and that he recalled that the lettering on the truck indicated that it was originally from a point distant from the Davenport, Iowa area, inasmuch as the name of the company printed thereon was entirely strange to him; that when he, [] and [] approached the post building on the morning of March 2, 1951 that [] indicated the truck, mentioned above, was the truck which would be used for loading and transporting the slot machines being purchased from the post; that at the time he first observed the truck there was a man still in the truck, who was a complete stranger to him, but who appeared to be a subordinate of [] inasmuch as [] subsequently gave this man instructions which were followed by this individual; that after examining a photograph of ALBERT GARDNER, FBI #283270 and being furnished with the description of that individual, that he would state that he was quite sure that the person depicted in said photograph was one of the same individuals who was in the truck on that occasion; that after [] arrived at the post building with [] and [], that said truck was driven by the stranger to the loading dock of the post, following the instructions of [] and thereafter the stranger, assisted by [] and himself, removed the seven slot machines above mentioned from their storage place on the second floor of the post building and loaded them into

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the above truck, which loading process consumed only a few minutes time; that after the slot machines had been loaded into the truck the abovementioned stranger threw a blanket over them and arranged it so that it concealed the slot machines underneath.

[] can further testify that following the loading of the machines he had a brief conversation with [] which resulted in an agreement that the truck should be immediately driven to the above mentioned Voss Brothers warehouse in Rock Island, where the remaining twenty-one slot machines would be loaded into the truck; [] states that his recollection is not clear as to whether [] rode from the post premises in Davenport, Iowa to the Voss Brothers warehouse in Rock Island, with the stranger in the truck or whether [] rode in [] car to that place from Davenport, Iowa, but that he can state that he clearly recalls that the stranger drove the truck as it was leaving the post premises to Rock Island and that he, himself, drove his own car from the post premises directly to the Voss Brothers warehouse in Rock Island, Illinois via the U. S. Arsenal Bridge over the Mississippi River, arriving at the Voss Brothers warehouse approximately ten minutes after leaving the post premises in Davenport, Iowa.

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[] can further testify that he arrived at the Voss Brothers warehouse perhaps five or ten minutes previous to the arrival of the above mentioned truck at that place, and was in the warehouse office paying the storage charges due on the twenty-one slot machines at the time when the truck arrived; that he recalls some conversation from either the stranger or [] to the effect that they had left a tire for repairs at a tire repair place near the Voss Brothers warehouse in Rock Island, which was the reason for their brief delay in reaching the warehouse; that [] and the stranger, also the truck, appeared to arrive simultaneously at the Voss Brothers warehouse, but that he could not state whether [] arrived at the same time or a few minutes thereafter for the reason that he no longer regarded [] as a party to the transaction and therefor focused his attention chiefly on [] and the stranger driving the truck; that he was positive that the seven machines loaded into the truck a few minutes before at Davenport, Iowa as above stated were still in the truck when the truck reached the Voss Brothers warehouse in Rock Island,

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Illinois as he saw the seven machines in the truck at the time of its arrival at the Voss Brothers warehouse and for the further reason that at the conclusion of the loading of the twenty-one additional machines into the truck from the Voss Brothers warehouse that the twenty-eight machines in the truck were carefully accounted for immediately following which [] agreed that the machines were all present and then paid [] \$980 in cash per previous agreement.

[] can further testify that he paid for the storage of the twenty-one slot machines in the Voss warehouse and received a receipt for the paid storage bill from an employee of the warehouse at that time, which transpired momentarily prior to the loading of the twenty-one machines stored there into the above truck, which loading was performed by unidentified employees of the warehouse with slight assistance from the stranger, above mentioned, and []; that while he and [] were waiting for the machines to be loaded into the truck at the Voss Brothers warehouse that he and [] had a conversation during the course of which [] mentioned that he had purchased another quantity of slot machines which were stored in an undescribed point in Rock Island, Illinois, and that immediately following the conclusion of the loading of the machines being purchased from the American Legion Post, that [] would load the other quantity of slot machines into the truck and would then leave Rock Island Illinois immediately for an undisclosed destination; that after he had received the \$980 in payment from [] that [] got into the car, left the Voss Brothers warehouse and proceeded to Davenport, Iowa not having seen either [] or the above mentioned strangers since.

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[] can testify that from his observation of [] he would describe him as white, in his early or middle thirties, medium height, stocky build, well dressed, with a round face; that from his recollection of the above mentioned stranger he would describe him as white, middle age, very short in stature, average build, and wearing a laborer's clothes, which [] is unable to describe in detail.

[] can produce the four above described bills or invoices of the Gardner Music Company and can also produce a business card given to him on March 1, 1951 by [] which bears the follow-

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ing printed data:

"P & S DISTRIBUTING COMPANY
One One 'O' Street
Phone 4-9186
Des Moines 9, Iowa

[REDACTED] Phone [REDACTED]
Davenport, Iowa"

[REDACTED] can further testify that he turned over the \$980 in cash received from [REDACTED] to the business office of the Davenport American Legion Post on the same date, particularly as there was some question as to the fund into which this sum should go, that the money was held in the office for approximately one week or ten days before being deposited into the account of the post at the Davenport Bank and Trust Company, Davenport, Iowa.

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[REDACTED] can produce the daily cash sheet of said post dated March 12, 1951, which reflects the receipt on that date by the post of the sum of \$980, representing the accounting for the proceeds of the above sale by [REDACTED] and which was deposited to the credit of the above post in its bank account on March 12, 1951.

[REDACTED]
Bettendorf, Iowa

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[REDACTED] with offices at [REDACTED] [REDACTED], Davenport, Iowa, can testify that he served as [REDACTED] of American Legion Post #26, Davenport, Iowa, from August 1950 to August 1951; that at the time he took office in August 1950 he knew that said post owned a number of slot machines, none of which had been in operation since during October 1949; that after taking office he learned that a majority of the slot machines were in storage in a warehouse in Rock Island, Illinois and was later informed that the warehouse was that of the Voss Brothers Express and Storage Company; that some of the machines were in storage on the premises of Post #26, at Davenport, Iowa, although he was never advised as to the exact number that were in storage in either place.

[] can further testify that on or about March 1, 1951 [] of the Post, brought two strangers to [] office during afternoon hours, one of whom [] recalls was introduced as [] whom he has since learned is called [] and who resides in LeClaire, Iowa; the other man was introduced to him by name but [] is unable to recall the name at this time, although he is able to recall that this stranger was white, medium height, middle age, and well dressed; that the relationship between [] and the stranger above described was never known to [] but that during the course of a brief conversation between him, [] and the stranger, [] got the impression that [] was apparently an employee or subordinate of the stranger; that during the conference following the introduction, one of the party inquired if he had any objection to the sale of slot machines belonging to the post; that he advised that he had no objection to the sale of such slot machines providing that it be thoroughly understood that the post would not be involved in any violation of any law; that the details of the proposed sale which had apparently previously been tentatively discussed by [] the stranger and [], were not made known to [], as it appeared that he was being approached as [] only for authority to dispose of the slot machines, and that once his authority had been given, the conference was terminated; that he had not seen the stranger, above mentioned, on any previous occasion and was not aware of the details of the disposition of the slot machines, his only further knowledge of the matter having been acquired several weeks later when in reviewing the financial statement of the post, he noticed an item of income which, on inquiries, he learned represented the proceeds of the sale of the slot machines.

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WILLIAM C. KNOOP
% Knoop's Tavern
329 West 2nd Street
Davenport, Iowa

WILLIAM C. KNOOP can testify that on March 1, 1951 he was the owner of ten Mills Black Beauty slot machines, three of which were nickel, three of which were dime machines, and four of which were quarter machines; that by pre-arrangement with []

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[redacted] of Eddies New Yorker, a night club in downtown Rock Island, Illinois, that said machines were on that date in storage in the basement of Eddies New Yorker, under an agreement between KNOOP and [redacted] to the effect that the machines would ultimately be sold and that [redacted] and KNOOP would equally divide the proceeds of such contemplated sale.

KNOOP can testify that on or about March 1, 1951 a man, whom he knew to be [redacted] of LeClaire, Iowa came to Knoop's Tavern in Davenport, Iowa, with another man who was a stranger to KNOOP, but whom [redacted] introduced to KNOOP by name at that time; that the stranger asked KNOOP if he owned any slot machines that he desired to sell; that KNOOP answered in the affirmative and proceeded to converse with the stranger about the machines, describing them as to age, make, condition and other details; that after hearing KNOOP's description of the slot machines the stranger then offered to pay KNOOP \$75 for each machine, in cash, a total of \$750; that KNOOP told the stranger he would think the offer over and requested that the stranger contact him telephonically that evening at the tavern for his decision; that on the same evening the stranger called on KNOOP by telephone as requested, and a conversation ensued between KNOOP and the stranger during the course of which it was agreed that the stranger would have a truck at the rear of Eddies New Yorker in downtown Rock Island, Illinois the following morning, at which time the stranger would load the machines into the truck and pay KNOOP for the machines in cash at the time on the basis of the previously agreed price; that on the morning of March 2, 1951 [redacted] and the above mentioned stranger called at Eddies New Yorker in downtown Rock Island, where KNOOP was seated with [redacted]; above mentioned; that a truck was backed up to the rear door of Eddies New Yorker, and that the stranger and another stranger, who was driving the truck, brought the machines up from the basement of the night club where they were stored and loaded them into the truck; that the machines all loaded were ten in number and were the same machines concerning which KNOOP had the conversation with the stranger in his tavern the day previously; that after the ten machines had been loaded into the truck that the stranger, above mentioned, counted out \$750 in cash and handed it to KNOOP at Eddies New Yorker and that immediately thereafter that stranger, the stranger who was driving the truck, and [redacted] departed from Eddies New Yorker; that he has not seen either of the above mentioned strangers subsequently; that KNOOP has been unable to locate any record

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OM: 71-206

or other data from which he could ascertain the serial numbers of the slot machines sold by him as above mentioned; that after the receipt of the money from the stranger as above stated, and after the departure of the strangers and [redacted] from Eddies New Yorker on the morning of March 2, 1951 that KNOOP paid [redacted] the sum of \$375 per the above mentioned agreement. that KNOOP can not state whether it was on March 1, or March 2, 1951 that the stranger who negotiated with him for the sale of the slot machines furnished him with information that this stranger was going to transport the slot machines purchased from KNOOP into the State of Minnesota.

[redacted] and [redacted]
Special Agents
Federal Bureau of Investigation
Omaha, Nebraska

Can introduce a signed statement executed by WILLIAM C. KNOOP in Davenport, Iowa dated September 8, 1951 which contains substantially all of the information above accredited to KNOOP.

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[redacted]
Rock Island, Illinois

Can testify as follows: that [redacted] has had numerous business contacts with [redacted] a representative of the Paster Distributing Company, St. Paul, Minnesota, during the past approximately four years; that [redacted] has occasionally been a guest in his home and has conducted business at [redacted] store, the [redacted] Moline, Illinois; that on or about March 1, 1951 [redacted] came to [redacted] place of business and said: [redacted] "I need some cash awfully bad in order to purchase some machines over in Iowa and around."; that later the same night [redacted] came to [redacted], where [redacted] cashed a check for [redacted] in the amount of \$2000; that [redacted] mentioned that at that time he needed more cash than this, but was appreciative of [redacted] efforts to raise the \$2000; that [redacted] did not know what type of "machines" [redacted] expected to purchase; that [redacted] deposited the check given

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to him by [] on the evening of March 1, 1951 in []
account at the Rock Island Bank and Trust Company, Rock Island,
Illinois, at the time that [] had opened his account at
that bank on March 5, 1951; that [] had provided the
number of the check that bore the Paster Distributing Company
and the Mayflower Distributing Company, and dealt in the purchase
or sale of slot machines previously.

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[] and []
Special Agents
Federal Bureau of Investigation
Springfield, Illinois

Can produce a signed statement of [] dated
November 1, 1951 at Moline, Illinois which contains substantially
all of the information above accredited to [].

[] (Upon issuance of subpoena
duces tecum)
Rock Island, Illinois

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[] (Upon issuance of subpoena
duces tecum)
Minneapolis Minnesota

[]

OM 71-206

[REDACTED]

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[REDACTED]

%Voss Brothers Express and Storage Company
2125 3rd Avenue
Rock Island, Illinois

Can testify that on March 2, 1951 he had assisted in removing from storage in the warehouse of that company in Rock Island, Illinois, twenty-one slot machines which had been previously placed in storage there by the American Legion Post of Davenport, Iowa and that he also assisted in loading said slot machines into a truck which was parked against the loading platform of the warehouse, which truck was red in color and bore the words "Air Freight" on its sides; that he did not pay particular attention to the truck although photographs of the above mentioned truck owned by the Larson Transfer Company of Minneapolis, Minnesota appeared to depict either the same truck observed by him on that occasion or one identical to it; that the removal of the slot machines and the loading thereof into the said truck required approximately thirty minutes time; that he did not pay close attention to the men who were apparently driving or riding in the truck, but that one was white, short, stocky build; the other 5' 7" or 5' 8", heavy set; and wearing glasses; that a third individual was present at the time, but he could furnish no description of the three persons; that having examined a photograph of ALBERT GARDNER, FBI #283270, he would say that the individual depicted in that photograph is, if not identical, appears to be closely similar in appearance to the individual driving the above mentioned truck on that occasion; that he can testify that he is [REDACTED] of the Voss Brothers Express and Storage company.

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[REDACTED]

%Voss Brothers Express and Storage Company
2125 3rd Avenue
Rock Island, Illinois

Can testify that he is [REDACTED] the Voss Brothers Express and Storage Company; that he vaguely recalls the removal of storage at the warehouse of that company a quantity of slot machines, lot #6357, which had been stored there by the American

OM 71-206

Legion Post of Davenport, Iowa during the year 1950; that the machines were removed March 2, 1951 from the warehouse and loaded into a truck, possibly with his assistance, which had been parked against the loading platform of the warehouse; that the removal from storage and loading into the truck of the machines required approximately thirty minutes time; that three individuals not connected with the Voss Brothers Company were present during the loading and appeared to be interested in the movement; one of whom he recognized as being a Legionaire, of Davenport, Iowa, and the other two men being strangers; that he did not take particular note of the truck into which the slot machines were loaded, but upon being shown a series of ten photographs of the above mentioned truck of the Larson Company, of Minneapolis, Minnesota, he would state that the truck depicted in said photographs appears to be either the same truck into which the machines were loaded or merely identical in appearance, judging from its type, condition and the markings depicted in the photographs.

[REDACTED]
% Handelsman and Wiesman Company
2301 3rd Avenue
Rock Island, Illinois

[REDACTED] can testify that he recalls that on a morning early in March 1951 a stranger dressed in work clothes drove a truck into the garage of his firm and had a tire repaired for the truck; that he would describe the stranger from recollection as being stocky, small in stature, in his 50's; that he recalled having had a conversation with this man concerning the type of haul being conducted, and that the driver had answered that he was hauling for an air line company; that the repair job on the tire was a cash transaction, wherein no name was recorded and that the cash receipts and records of his company would not permit identification of the transaction.

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It is noted that [REDACTED] after examining a photograph of ALBERT GARDNER, FBI #283270, identified that as being a photograph of the man referred to by him above, and that after having examined photographs of the truck of the Larson Transfer Company of Minneapolis, Minnesota, above and to be hereinafter referred to, that [REDACTED] identified the truck depicted in the photographs as being the truck GARDNER was driving on the above mentioned occasion.

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[redacted]
% Larson Transfer Company
2010 21st Avenue, South
Minneapolis, Minnesota

Can testify that he is [redacted] the Larson Transfer Company and that during the early part of 1951 that concern rented out trucks on a limited number of occasions and that the records of the company concerning the rental thereof are in very bad shape; that he has been able to locate records of this company reflecting that the Mayflower Distributing Company of St. Paul, Minnesota had rented trucks belonging to the Larson Transfer Company during the early part of 1951 and that [redacted], who is an employee of the Larson Transfer Company, [redacted] handled the transaction and could furnish information with relation thereto.

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[redacted]
Minneapolis, Minnesota

(Upon issuance of subpoena
duces tecum)

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[redacted]
Minneapolis, Minnesota

Can testify that during the months of February and March 1951 he did [redacted] work for the Larson Transfer Company, Minneapolis, Minnesota; that [redacted] have no conception at all of how records should be kept and that he experienced great difficulty with them in trying to keep their records and books accurate; that it was nothing unusual for him not to be told about a transaction until weeks after it had happened; that if a truck was rented out by the Larson Transfer Company, that they had no regular form which was filled out or signed, nor any routine procedure which was followed; that in such cases as a rule one of [redacted] would orally tell him to charge a certain firm so much for the rental of a truck and that he would then bill this concern accordingly, and make a notation in the records at the same time.

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After examination of the ledger sheet of the Mayflower Distributing company, the contents of which are set forth above in connection with the previous testimony, of [redacted] [redacted] stated that all of the writing thereon, including the date March 26, 1951, were written by him; that it was possible that the truck for which the rental charge was made as of that date, could have been rented out at any time previous to that date and that the date of March 26, 1951 might have been the date upon which one of [redacted] advised him concerning the rental, in which event he would have made the entry on that date March 26, 1951, and on the same date sent a bill to the Mayflower Distributing Company.

[redacted]
Davenport, Iowa

(Upon issuance of subpoena
duces tecum)

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OM 71-206

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[redacted]
Special Agent
Federal Bureau of Investigation
Omaha, Nebraska

Can testify that on March 5, 1951 he checked the current index listings of the numerical telephone directory prepared by the Northwestern Bell Telephone Company in connection with the Davenport telephone numbers mentioned above and found that they were listed as follows:

Davenport 2-9126 - listed to the Green Front Cigar Store, 115 Brady Street.

Davenport 3-9927 - listed to the Davenport Elks Lodge.

[redacted] - listed to [redacted]

Davenport 6-1631 - listed to the American Legion Post #26.

Davenport 2-3296 - listed to WILLIAM C. KNOOP, 2727 East Locust Street.

[redacted] - listed to [redacted]

[redacted]
Davenport, Iowa

OM 71-206

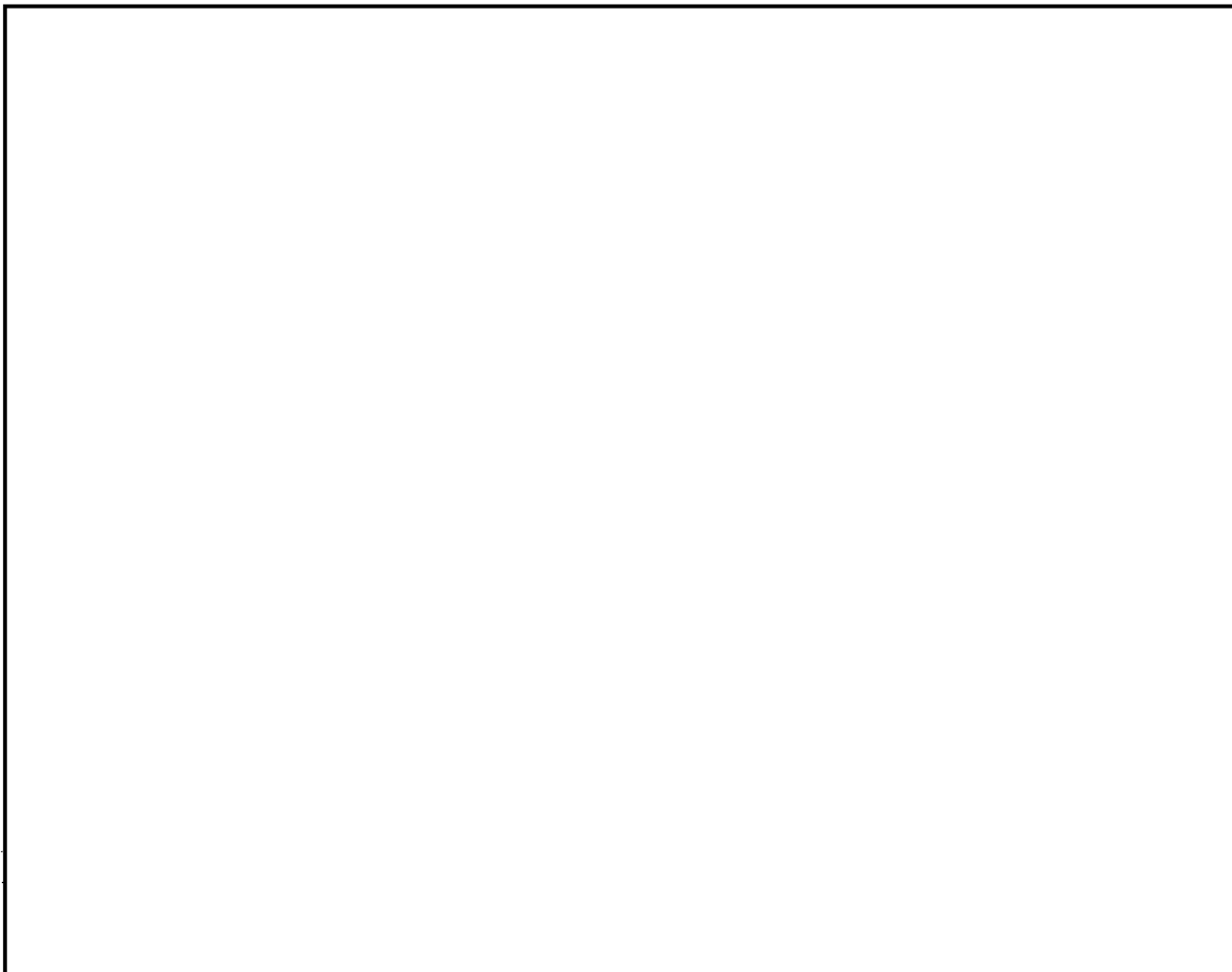
As [] of the Blackhawk Hotel, Davenport, Iowa, [] can produce the same documents as above referred to as [] above mentioned, and can give the same testimony with relation therewith in the event [] had been unavailable and desired as a witness.

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[]

(Upon issuance of subpoena
duces tecum)

Rock Island, Illinois



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OM 71-206

[redacted]
% Gardner Music Company
1103 3rd Avenue
Rock Island, Illinois

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Can testify that she is [redacted]
of the Gardner Music Company, Rock Island, Illinois, and can pro-
duce the same documents and testimony in relation thereto as
that above ascribed to [redacted]

[redacted]
Davenport, Iowa

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Can testify from his recollection that the above eighteen slot
machines referred to under the information ascribed to [redacted]
[redacted] Gardner Music Company, Rock Island, Illinois, were
eighteen of the slot machines sold by the Davenport American
Legion Post #26 to the man known to him as [redacted] on March 2, 1951
such sale having been previously herein described under the
information ascribed to [redacted].

[redacted]
Chicago, Illinois

(Upon issuance of
subpoena duces tecum)

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OM 71-206

[REDACTED]
Davenport, Iowa

Can testify that he is [REDACTED] the Green Front Cigar Store, 115 Brady Street, Davenport, Iowa, and that he was such [REDACTED] throughout the year 1951; that for several years previous to 1951 he was personally acquainted with [REDACTED] known to [REDACTED] to be a representative of the Paster Distributing Company, St. Paul, Minnesota; that on March 1, 1951 [REDACTED] had a conversation with him in the Green Front Cigar Store, during the course of which he said that he was interested in buying slot machines and questioned him about the local availability of slot machines which might be purchased; that their conversation was brief and that [REDACTED] stated he would see [REDACTED] in the near future; that [REDACTED] can testify that he is certain that it was on March 1, 1951 that [REDACTED] and he had the above conversation, as he recalled with clarity reading an article in the "Davenport Daily Times" about slot machines which indicated that out-of-town men, reportedly from St. Paul, Minnesota, had been in Davenport, Iowa making efforts to buy slot machines; that he clearly recalls that it was the day previous to the issuance of that copy of the "Davenport Daily Times" that [REDACTED] was in his place of business and that the above conversation transpired; that having been shown a copy of the "Davenport Daily Times" issued March 2, 1951, and having read the article on Page 1-B of that issue, bearing the headline "Set Meeting on Gambling Law", that he positively identified that article as the article above referred to.

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[REDACTED]
Special Agent
Federal Bureau of Investigation
Omaha, Nebraska

Can produce a copy of the "Davenport Daily Times" issue of March 2, 1951 and can testify that he purchased same at the circulation desk of said newspaper at Davenport on September 29, 1951.

FRANK L. PALMER
1439 West 4th
Davenport, Iowa

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Can testify that he was Exalted Ruler of the Davenport Lodge #298 of the Benevolent and Protective Order of the Elks, from early in April 1950 to early in April 1951; that during October 1945 said lodge owned and possessed thirty-eight slot machines which were placed in storage on November 1, 1949 in compliance with Iowa law; that the machines were still the property of said lodge throughout the first week of March 1951; that during the last week in February 1951 [redacted] of LeClaire, Iowa, known to him as a member of the lodge, contacted PALMER and said that the company for which [redacted] was then working was interested in buying up slot machines and inquired if the lodge still owned the above machines; that he advised [redacted] that the lodge still owned and possessed the machines and might be willing to sell them but that authority for such sale would have to be obtained from Chair Officers and Trustees of the lodge; that [redacted] then made tentative arrangements with him for a meeting of such lodge officers and a representative of his company from St. Paul, Minnesota such time as that representative would be in Davenport, Iowa in order that a sale of the slot machines to [redacted] company might be negotiated; that during the day March 1, 1951 [redacted] contacted PALMER and stated that the representative of his company from St. Paul would be in Davenport, Iowa that day, and [redacted] and PALMER made arrangements for that representative to meet with PALMER and the Chair Officers and trustees of the lodge in the lodge building the same evening.

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PALMER can further testify that on the evening of March 1, 1951 [redacted] brought a man to the lodge club room who was a stranger but who was introduced to PALMER and the other lodge officers present by name as being a representative of [redacted] company from St. Paul, Minnesota; that in addition to PALMER, other lodge officers present there included [redacted] and [redacted]; that the meeting was informal, and that following [redacted] introduction of his company's representative, that representative, whose name PALMER can not recall, proceeded to question the officers present as to the number of slot machines owned by the lodge, the make, type, denominations, age, and condition, in response to which he was informed there were thirtyeight machines in all and answered to his other questions by various members of the lodge present;

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that thereafter the representative of [] company haggled about the price he was willing to pay for the machines and it was finally agreed that he would pay \$1900 in cash for them; that at the meeting arrangements were made between representative of [] company and the lodge officers present that the company's representative would bring a truck to the rear of the lodge building during the hours of darkness on the evening of March 5, 1951 and then load the machines into the truck; that he agreed to pay to a member of the lodge \$1900 in cash for the machines as soon as they were loaded into the truck and offered to accept full responsibility for the machines as soon as they were in his possession.

PALMER is unable to recall exact statements made by [] company's representative, but that from what he said at the time PALMER knew that he intended to transport the machines from Davenport, Iowa into the State of Minnesota for use or disposition there; that on the afternoon of March 5, 1951 [] contacted PALMER and stated that he had just received word from his company in St. Paul, Minnesota that the deal for the slot machines as above described was off due to the publicity about the matter which had appeared in a Davenport newspaper; that no subsequent interest in the slot machines has been exhibited by [] and that PALMER has not seen the above mentioned representative of [] company subsequent.

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It is noted that PALMER has examined a photograph of [] taken in 1939 and while declining to make a positive identification, stated that it is his opinion that the individual depicted in the photograph is identical with the individual who appeared at the above described meeting in company with [] on March 1, 1951 and negotiated for the purchase of the slot machines and transportation to the State of Minnesota.

[]
Davenport, Iowa

Can testify that he is [] in Davenport, Iowa, and was, during March 1951, an officer of Davenport Elks Lodge; that he was called to attend such meeting by FRANK

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L. PALMER then Exalted Ruler of the Lodge; that he and several other officers of the lodge appeared at the lodge room early on the evening of March 1, 1951 at which time two strangers, one of whom was from Minnesota, appeared at the meeting by pre-arrangement and that following an introduction of the man from Minnesota that individual stated that he was interested in the purchase of slot machines and inquired as to the number, make, model, condition and age of the machines that the lodge had for sale.

He recalled that the man haggled about the price which he was willing to pay for the machines and used as a leverage in gaining the assurance of a nominal price from the officers of the lodge a statement primarily to the effect that the continued possession of slot machines by the lodge was a violation of the laws of the State of Iowa; that an agreement was finally reached between that man and the officers of the lodge that he would call for the machines in a truck at a later time and that the lodge was to receive payment of a stipulated sum of money for the machines as soon as they had been loaded into the stranger's truck it being understood that the responsibility for possession and transportation of the machines was to be completely that of the man from Minnesota.

[redacted] was shown a photograph of [redacted] taken in 1939 but he stated that he was unable to make an identification of the stranger above mentioned by him, on the basis of that photograph, inasmuch as the man he saw was considerably older than the individual depicted in the photograph, was bald, or had very little hair, and was considerably fleshier in the face.

[redacted]
Davenport, Iowa

Can testify he was a [redacted] in Davenport, Iowa, and was, during March 1951, a member of the Davenport Elks Lodge and [redacted]; that one evening early in March 1951, he was called by the then Exalted Ruler, FRANK L. PALMER and asked that he attend a meeting of the Chair Officers and members of the Board of Trustees of the Lodge to be held on the evening of the same date; that he attended that meeting and observed that [redacted]

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[redacted] of LeClaire, Iowa and a man whose name he could not recall but who introduced himself as being from St. Paul, Minnesota were also present; that the latter individual stated that he was interested in the purchase of slot machines from the lodge and after considerable discussion an agreement was reached between that man and the members of the lodge present that the lodge would sell to him the thirty-six or thirty-eight slot machines owned by that lodge; that arrangements were made whereby the purchaser was to have a truck at the rear of the lodge building the following Monday night in order to load the machines and transport them away, title to these machines to pass immediately upon the loading of the machines on the truck and payment of the stipulated price to a representative of the lodge by this man in cash immediately; that he is certain he would recognize the man from St. Paul, Minnesota who negotiated for the purchase of slot machines if he should see him on any subsequent occasion.

[redacted]
Davenport, Iowa

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Can testify that during March 1951 he was an insurance salesman and an officer of the Davenport Elks Lodge, who attended a meeting of Chair Officers and Board of Trustees in the club rooms of the lodge on an evening early in March 1951; such meeting having been called by FRANK L. PALMER, the then Exalted Ruler of the lodge; that at the meeting [redacted] of LeClaire, Iowa was present, who introduced a man with him, a stranger, to [redacted] as [redacted]; that [redacted] proceeded to state that his company was interested in purchasing the slot machines owned and possessed by the lodge and that following a rather long conversation in which [redacted] haggled about the price he would be willing to pay for same, a price was finally established for the slot machines owned by the lodge, and arrangements were made with [redacted] by the lodge officers, whereby [redacted] agreed to have a truck at the rear of the lodge on the following Monday night, at which time he would load the machines into the truck and pay for them at the stipulated price at the conclusion of the loading; that during the conference with [redacted] he stated that the machines would be removed from the State of Iowa to the State of Minnesota where they would be utilized in the summer resort area of that state.

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[] can further testify that during the meeting he was given a business card by [] which read as follows:

Paster Distributing Company
Parts & Auxiliary Equipment
Coin Controlled Phonographs

[] 2218 University Ave.
St. Paul, Minnesota

He can produce said card upon request.

DARRELL DOYLE
719 West 14th Street
Davenport, Iowa.

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Can testify that during March 1951 he was the editor of a newspaper known as the "Davenport Democrat and Times" now known as the "Davenport Morning Democrat"; that sometime subsequent to February 24, 1951 and prior to April 1, 1951, he and several other Chair Officers and Members of the Board of Trustees of Davenport Elks Club of which he was a member and attended a meeting at the club rooms of the lodge which was also attended by [] of LeClaire, Iowa and a man who appeared to be [] superior, whom [] introduced at the meeting by the surname []; that he was under the impression that [] was from the State of Minnesota; that at the meeting [] advised the members of the club present that he desired to purchase the slot machines owned by the club and a price of \$1800 or \$1900 for them was finally arrived at; that arrangements were made by the Officers with [] whereby [] was to have a truck outside the lodge premises during the hours of darkness on an available date, at which time [] would load the slot machines into the truck and pay the lodge for them, upon the completion of the loading.

IDENTIFICATION RECORDS

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<u>Contributor of Fingerprints</u>	<u>Name and Number</u>	<u>Arrested or Received</u>	<u>Charge</u>	<u>Disposition</u>
FD, Milwaukee, Wis.	Herman Paster #25541	11-13-33	confidence held for FD game	Chicago, Ill. 12-5-33, dism.
FD, Chicago, Ill	Henry Pastoro #C-54108	12-4-33	C.F	
FD, Minneapolis Minn	Herman Paster #26928-e	7-12-35	G.L.	8-23-35, dism.
CAA, Washington D.C.	Herman Paster #--	applicant F.P. 8-31-42		
ATU, St. Paul, Minn	Herman Paster #7953-M	inquiry 11-15-43		
USM, St. Paul Minn	Herman Paster #6055	3-3-44	conspiracy S-88 Int. Rev. Liquor laws	3-3-44 rel. on \$2000 bond 3-16-44 6 mos and \$5000 fine 1st count \$5000 Fine 2nd ct.
Fed. Correctional Institution, Sandstone, Minnesota.	Herman Paster #2198	6-15-44	vb. OPA, Reg. sale dis- tiled spirits above ceil- ing price.	6 most. 11-14-44 disch. min. exp.

OCD Wash DC

applicant
1-24-41

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<u>Contributor of Fingerprints</u>	<u>Name and Number</u>	<u>Arrested or Received</u>	<u>Charge</u>	<u>Disposition</u>
CAA Wash, DC		applicant		
		Fr 1-30-42		
SOS Army		laborer		
		4-27-42		
Army		5-12-42		
		Mpls.,		
		Minn.		
FD, Wilmington				
Del				
		6-5-42		

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USM, St. Paul Minn	Albert Gardner #--	11-3-29	vic. N.P. 1 yr 1 day Act
USP, Leavenworth Kans.	Albert Gardner #36079	4-13-30	Prob. act. 1 yr 1 day (Consp)
FD, St. Paul. Minn.	Albert Gardner #F-178	3-7-36	felony reg.
Military intel- ligence, Washington, D.C.	Albert Gardner	appl. for laborer bldg. Foley Bros, Inc. Twin Cities, Ord. Plant, New Brighton, Minn. 11-6-41.	
FD, Wilmington De.	Albert Gardner #DU-326200	applicant for laborer 5-18-42	
Commanding Gen. Services of Supply, U.S. Army, Wash. D.C.	Albert Gardner #88-ARS-131	applicant for laborer 9-19-42	

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<u>Contributor of Fingerprints</u>	<u>Name and Number</u>	<u>Arrested or Received</u>	<u>Charge</u>	<u>Disposition</u>
SOS, War Dept.	Albert Gardner #88-MHK-25	truck driver 8-18-43		

FEDERAL BUREAU OF INVESTIGATION
FOIPA
DELETED PAGE INFORMATION SHEET

No Duplication Fees are charged for Deleted Page Information Sheet(s).

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